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IHSA 81-034

28 October 1981

MEMORANDUM FOR:

[redacted]
CS/PATG/ORD/DDS&T

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FROM:

[redacted]
Information Handling Systems Architect

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SUBJECT:

Organization of IHS Strategic Planning

REFERENCE:

Memo for IHSA from [redacted] dtd
14 October 1981, Subject: IHS Strategic
Planning Working Groups, ORD [redacted]
[redacted]

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1. It was not clear from your memo which design errors of the 60's and 70's we should not repeat. While there were a lot of "mistakes" in this era, it would be agreed, I assume, that there is a strong judgmental factor at work here. The environment was continuously and rapidly changing then, as it is now, and the correctness of management decisions in any time must be judged in the light of the contemporaneous environment. Suffice it to say, we should not do dumb things-- which I assume was the thrust of your concern.

2. Let me mention some imperatives I believe apply to the Strategic Planning process and which I think you may have neglected in your suggested approach.

- o Effective involvement by representatives of all interested organizations is required. Otherwise the product will not be accepted, no matter how well it serves the organization.
- o The clear thread of deductive reasoning that leads to major goals and then to implementation plans must be visible to top management. Otherwise the product will not be accepted, no matter how well optimized it may be.
- o The continuing involvement of senior, experienced leaders and managers in all expected organizations is required. Otherwise, participants do not

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have the perspective to assess and articulate problems, needs, priorities, scheduling factors and budgetary matters.

- o The support of senior, organization management is required to assure the application of needed resources, the resolution of problems, and the continuous alignment of the effort with the goals and resources of the organization.

With these imperatives in mind, one can then proceed to formulate the strategic planning process.

3. There is, of course, considerable latitude available concerning how one goes about strategic planning. Almost every major consulting organization, offeror of professional seminars, and major IHS hardware vendor offers formalized approaches--not to mention numerous academic types and writers of textbooks. The cacaphony of voices is overwhelming. Basically, however, I believe one proceeds, as with any other problem, by structuring the problem, defining and arranging its pieces, and then dealing with them piecewise. That is what we have tried to do. If that equates to your pejorative "reductionist" label, so be it. I do not believe in large organizations trying to cope with large problems on an integrated basis throughout the analysis process.

4. The process we have defined focuses first on the users, developing the goals, and then on the providers, figuring out how to get there. Both groups are to be involved in both processes, however. The integration concern is supported and provided throughout by the office of IHSA. It is basically a qualitative process, because we do not have time to develop models and do refined analyses within the scope of the development of this first plan. There is obviously considerable refinement to be done in the annual updating to follow in subsequent years. We anticipate having the emphasis shift to analytic processes next year, for example.

5. Our structuring of the problem took considerable effort. We sought to define a small set of concerns with maximum mutual independence. We skipped over the usual step of defining a common future, or set of alternative futures, because we did not feel it was necessary for a support function like IHSs. The Staffing Papers being prepared for each working

group have been prepared in the light of the future considerations that have developed by the Agency, however, and to the extent they impact IHSs, have been included. Basically, however, we are asking the users to factor such future considerations as are relevant to their areas into their needs/goals projections.

6. One major reason we broke the plan development up into constituent parts is that we are asking for the time of senior Agency people. To get that time we believed it was appropriate and necessary to structure for them a focused outline that could be dealt with in a limited amount of time. We support that concern with staffing papers which candidly define the current situation as best we can, define the issues and questions that obtain, and speak to potential goals. It is all designed to get participants up to speed as quickly as possible so they can be as productive as possible in the limited time available. We scheduled the Phase I Working Groups so that there could be continuity of individual participation, should the various organizations find it desirable. Significantly, we now have all the participants assigned, and multiple group participation happens only rarely. The time of the people we sought to involve in the process is indeed precious.

7. One of the major things frequently overlooked by those who put on seminars in strategic planning is that nobody starts with a blank slate. There is always an existing environment to be defined. These are things that are done well in that environment and things that are problems. An early step in the strategic planning process is to define the environment, candidly dealing with the perceived problems. The goals that evolve from the strategic planning process should capitalize on the strengths, while fixing the problems. This step has to be a broad-gauged activity within the organization. It builds understanding and consensus--the prerequisites of working together to build an integrated system. Our first phase effort is designed to perform these functions as well as determine the goals.

8. In summary, I would have to say that, at least for the initial formulation, the process is more a matter of the synthesis of knowledge than analytic discovery. We cannot go off into a corner with an elite group and develop the perfect solution and then come back, lay it on the Agency and expect it to be right, accepted, or implemented. There is no great

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technical mystery about the problems and objectives at this stage of the process anyway. I believe they are properly developed through human interaction, exploiting the tremendous corporate knowledge that exists.

9. At least, that is the way we have laid our program out. We make no claim that it cannot be improved upon; it is simply our best judgment of how to proceed. Time will tell how good our judgment was and is--"is" because we intend to be pragmatic about this, and improve in what we are doing as our experience gives us the light. I am afraid, however, that it is too late to stop and start over with a different approach, no matter how well conceived.

10. Should you wish to pursue this further, why not give me a call. I can be reached on [redacted]

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cc: [redacted]

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